

PUBLIC LAW 104-193—AUG. 22, 1996 110 STAT.
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SEC. 312. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(b) and 303(a) of this Act, is amended —

- (1) by striking "and" at the end of paragraph (25);
- (2) by striking the period at the end of paragraph (26) and inserting "; and"; and
- (3) by adding after paragraph (26) the following new paragraph:

"(27) provide that, on and after October 1, 1998, the State agency will —

"(A) operate a State disbursement unit in accordance with section 454B; and

"(B) have sufficient State staff (consisting of State employees) and (at State option) contractors reporting

directly to the State agency to —

"(i) monitor and enforce support collections

through the unit in cases being enforced by the State

pursuant to section 454(4) (including carrying out the

automated data processing responsibilities described

in section 454A(c)) and

"(ii) take the actions described in section 466(c)(1)

in appropriate cases."

(b) ESTABLISHMENT OF STATE DISBURSEMENT UNIT.—Part D of title IV (42 U.S.C. 651-669), as amended by section 344(a)(2) of this Act, is amended by inserting after section 454A the following new section:

"SEC. 454B. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.
42 USC 654b.
MENTS.

"(a) STATE DISBURSEMENT UNIT.—

"(1) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency must establish and operate a unit (which shall be known as the State disbursement unit) for the collection and disbursement of payments under support orders.—

"(A) in all cases being enforced by the State pursuant to section 454(4); and

"(B) in all cases not being enforced by the State under this part in which the support order is initially issued in the State on or after January 1, 1994, and in which the income of the noncustodial parent is subject to withholding pursuant to section 466(a)(8)(B).

"(2) OPERATION.—The State disbursement unit shall be operated—

"(A) directly by the State agency (or 2 or more State agencies under a regional cooperative agreement), or (to

the extent appropriate) by a contractor responsible directly to the State agency; and

"(B) except in cases described in paragraph (1)(B), in coordination with the automated system established by the State pursuant to section 454A.

"(3) LINKING OF LOCAL DISBURSEMENT UNITS.

The State disbursement unit may be established by linking local disbursement units through an automated information network. subject to this section, if the Secretary agrees that the system will not cost more nor take more time to establish or operate than